

Small Business Provisions in Coronavirus Aid, Relief, and Economic Security (CARES) Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides more than \$376 billion in relief support for American small businesses facing unprecedented economic disruption due to the novel coronavirus (COVID-19) outbreak. It creates a Paycheck Protection Program (PPP) as well as grants and other benefits that help small businesses impacted by COVID-19.

Paycheck Protection Program – \$350 billion in funding for a Paycheck Protection Program (PPP) that will provide small businesses and other entities with zero-fee loans of up to \$10 million, with up to 8 weeks of average payroll and other costs forgiven if the business retains its employees and their salary levels.

Who is eligible? Small and Medium sized businesses up to 500 employees, non-profits, independent contractors and the self-employed. This includes churches but only to cover payroll costs of an associated business, like a thrift store.

Emergency Economic Injury Grants – \$10 billion in funding for a provision to provide an advance of \$10,000 to small businesses and nonprofits that apply for an SBA economic injury disaster loan (EIDL) within three days of applying for the loan. Grants can be used to cover immediate payroll, mortgage, rent, and other operating expenses while they wait for additional relief to be processed.

Who is eligible? Independent contractors, the self-employed, private non-profits, and small businesses and medium sized businesses with up to 500 employees, including startups, cooperatives, and employee stock ownership plans (ESOPs).

Debt Relief for Existing and New SBA Borrowers – \$17 billion in funding to provide immediate relief to small businesses with standard SBA 7(a), 504, or microloans, among other relief for small business borrowers.

Who is covered? Current and new 7(a) and 504 borrowers, under current SBA eligibility requirements. Those include small businesses, sole proprietors, cooperatives, and ESOPs.

Resources for Business Counseling Services – \$275 million in grants to Small Business Development Centers (SBDCs), Women's Business Centers (WBCs), as well as the Minority Business Development Agency's Business Centers (MBDCs), to provide mentorship, guidance and expertise to small businesses.

Manufacturing Extension Partnership (MEP) Program – \$50 million to enable non-profit MEP centers across the country to assist small and medium-sized manufacturers hit by coronavirus and the economic downturn.

[Click Here for More Details on Applying for Relief](#)